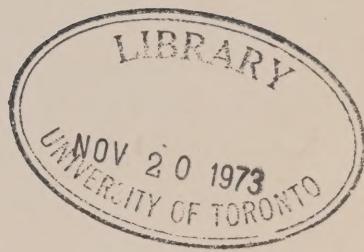


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**SUBMISSION BY THE COUNCIL OF
THE MUNICIPALITY OF METROPOLITAN TORONTO
TO THE ONTARIO ADVISORY TASK
FORCE ON HOUSING POLICY**

Task Force

APRIL 1973



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SUBMISSION BY THE COUNCIL OF THE
MUNICIPALITY OF METROPOLITAN TORONTO
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ON HOUSING POLICY

Introduction

Metropolitan Toronto is a federation of six municipalities whose combined housing stock as reported in the 1971 census of Canada totals approximately 629,000 occupied dwelling units. It has been estimated that approximately 285,000 new dwelling units will be required by 1981 to satisfy housing needs at that time, i.e. to eliminate what are considered to be existing housing inadequacies as well as to accommodate anticipated growth during the decade.

The estimate was made in a study prepared by Paterson Planning and Research for the Metropolitan Toronto Planning Board and published in 1969. The study was an attempt to determine the 1981 gross housing need of the Metropolitan Toronto Planning Area and to identify those households largely or entirely excluded from the private housing market, i.e. those whose existing housing is inadequate or whose limited income restricts their access to adequate shelter produced by the private housing industry.

The Metropolitan Council has acknowledged its responsibility for monitoring the development of the housing stock of Metropolitan Toronto, for identifying the weakness of the stock in terms of its sufficiency of numbers, types and

distribution and for influencing housing production to the extent of its competence in order to relieve such deficiencies. The Paterson study contributed particularly to an understanding of existing housing conditions from the point of view of shelter inadequacies and exposed the number of households which are not likely to find adequate housing by 1981 without some form of public financial assistance whether through rent subsidies or some other special assistance programme designed to improve their access to housing produced by private industry. When this number was analyzed to determine the actual probable *demand* for subsidized rental accommodation by 1981, the Metropolitan Council was then in a position to request the Ontario Housing Corporation to provide a sufficient number of public family housing units to satisfy this demand.

The Paterson study did not, however, attempt to characterize the 1981 housing need it identified in terms of specific housing types or distribution or in terms of the particular need or demand of elderly persons for and in public housing. This latter aspect was to have been the subject of another study which the Metropolitan Toronto Planning Board proposed to undertake with part of the study costs underwritten by Central Mortgage and Housing Corporation under Part V of the National Housing Act and by the Ontario Housing Corporation. In January 1973, however, when after two years CMHC had still not agreed to participate in financing the study, it was finally decided to withdraw the application and instead to review the finding of the 1969 Paterson study (which had been based on 1966 data) in the light of the 1971 census of Canada. Those questions of housing type and distribution and the relationship of housing to the other functions and urban structure of Metropolitan Toronto with which Paterson had not specifically dealt could then be examined in detail with a view to the formulation of a metropolitan housing policy

touching upon all aspects of housing need and demand and the Metropolitan Council's ability to influence housing production, both private and public, over the long term. The terms of reference of such a study are now being prepared by the Metropolitan Toronto Planning Board as a basis for advising the Metropolitan Council on a future housing policy.

Inevitably, the Metropolitan Council's ability to influence both private and public housing production will depend largely on the provincial government's own housing policies, the extent to which the province permits the council to determine municipal housing goals and objectives and the powers it is given to implement such goals. It is to some aspects of these problems that this present submission is addressed.

Public Housing Performance

The Ontario Housing Corporation assumed the entire responsibility for providing and maintaining a stock of public housing for families in 1964 while the responsibility for providing and maintaining a stock of public housing for elderly persons was retained by Metropolitan Toronto and is exercised through the Metropolitan Toronto Housing Company Limited.

The public family housing programme of OHC in Metropolitan Toronto is predicated on requests made by the Metropolitan Council from time to time. The Metropolitan Corporation's own programme for providing public housing for elderly persons is predicated on the demand for such housing as evidenced through actual and anticipated applications.

In 1965, the Metropolitan Council requested OHC to provide a total of 8,500 units of public housing for families; but in 1969, on the basis of the findings of the Paterson study, the

council requested that 3,500 units be provided annually until 1981. Subsequently, the council requested that this number be increased to 4,000 units annually.

The latest report (February 1973) of the Ontario Housing Corporation on its activities in Metropolitan Toronto suggested that it had started 6,271 rent-gearied-to-income units during 1971, but only 1,066 during 1972 as a result of "the growing scarcity of sites and increased ratepayer opposition." By the end of 1972, the total OHC public family housing portfolio in Metropolitan Toronto consisted of 29,341 rent-gearied-to-income units including

21,696	under management
5,363	under construction
2,282	under "development".

21,696 Public family housing units occupied at the end of 1972 represents roughly 3% of the total occupied housing stock of Metropolitan Toronto, as reported in the 1971 census of Canada. It also includes 5,071 units taken over from the former housing authorities of Metropolitan Toronto and the City of Toronto, 3,265 units purchased from the existing stock of private housing and 1,074 private rental units in a rent supplement programme. Accordingly, OHC appears to have added a total of some 12,396 new units to the stock especially for public family housing during its 1964-1972 history, or an average of about 1,650 new units per year. The period since 1969 has had, of course, a spectacularly greater performance than the average of the longer term suggests.

At the end of 1971, over 30% (5,790 units) of OHC's available public family housing stock in Metropolitan Toronto was occupied by persons 60 years of age and older, an age group

whose public housing requirements are a responsibility of the Metropolitan Corporation but from whom OHC accepts applications when suitable unit types are available. At the end of 1972, the OHC Registry showed 16,743 applicants for public housing, including 4,520 applications (almost 27%) from persons 60 years of age or older.

The Metropolitan Corporation through the Metropolitan Toronto Housing Company Limited presently has a stock of about 6,886 rent-subsidized housing units occupied by individuals and couples 65 years of age and older who satisfy the Corporation's minimum requirements of residency in any municipality of Metropolitan Toronto.* A capital programme to provide 3,500 additional units by 1977 has also been adopted to increase the total stock to some 10,380 units.

To give a better understanding of the relationship in family housing between the Metropolitan Corporation and Ontario Housing Corporation, it may be useful to observe its development in an historical context.

In the early 1960's, public housing programmes in Metropolitan Toronto were in a state of considerable confusion. Some municipalities maintained housing authorities while the Metropolitan Corporation administered housing projects built by a partnership of the federal, provincial and metropolitan governments who frequently found themselves in conflict with local municipalities on the question of social objectives.

* The minimum residency requirement has been two years; but in February 1973, the Metropolitan Social Services Committee recommended that this be reduced to one year. OHC normally requires one year's residency for applicants for public housing in all municipalities except Metropolitan Toronto where it imposes *no* residency qualification.

A variety of technical committees were established and re-constituted from time to time to guide the federal-provincial partnership through the complexities of a large scale public housing programme. These included the early Interim Housing Committee and its successor coordinating committees upon which metropolitan, provincial and federal representatives sat to determine questions of programme, site selection and project specifications and make appropriate recommendations to their respective governments.

The nature of these functions contained an inherent weakness in that they required the entire public housing programme, from site selection through design and construction to eventual management, to be undertaken virtually exclusively with government financial and technical resources at a time when the talents of the entire construction industry were required to support a public housing programme of the scope needed. Part of the weakness also lay in the multiplicity of government agencies directly involved in every aspect of the programme.

It was soon observed that the programme would have to be streamlined with respect to both technique and responsibility. It was, for example, considered that the partnership could be effectively replaced by a metropolitan agency supported financially by the provincial and federal governments, but otherwise left free to determine and satisfy its own public housing needs.

The enactment of new federal and provincial housing enabling legislation and, in August 1964, the creation of the Ontario Housing Corporation promised to provide the machinery through which the necessary streamlining could take place. The

Ontario Housing Corporation, of course, represented the single housing development agency for which the need had become so apparent in other parts of the province as well as in Metropolitan Toronto; and the new legislation revised the basis for financing housing projects. In the days of the partnership, the Metropolitan Corporation had contributed 7½% of both the capital cost and annual operating subsidy of low-rent housing projects, CMHC had contributed 75% and the province 17½%. Under the new legislation, OHC would be able to obtain 90% loans from CMHC and reduce its own capital costs to 10% while the operating subsidy would be shared 50% by CMHC, 42½% by OHC and 7½% by Metropolitan Toronto.

Of equal significance, however, was the development of new techniques in the production of public housing which were able to exploit the resources of the private builder and reduce the enormous complications in the development of a housing project undertaken exclusively by government, thereby expediting the total programme. The development of the so-called "builder's proposal" whereby any competent member of the building industry could assemble land, secure municipal approval of a project and offer to build and sell the project to OHC for public housing not only accelerated the production of housing but also tended to obscure the differences between public and private housing in the community: one of the social objectives of the programme which had previously been exceedingly difficult to achieve.*

* The builder's proposal technique has also been used in the past by the Metropolitan Toronto Housing Company Limited to produce public housing for elderly persons as quickly as possible but is now being abandoned in favour of competitive prices and tendering. As a

In February 1965, the Metropolitan Council also agreed with OHC to reduce the metropolitan role in the public housing programme by removing itself from project-by-project considerations and requesting OHC simply to produce a given number of family housing units in a given period of time. The Metropolitan Corporation continued to specify the general character of the total housing programme indicating, where required, the bedroom composition, type of project, etc., it wished to see built, and entered into a master agreement covering rental subsidies; but it no longer entered into individual agreements for each project.

At the same time, the Metropolitan Council disbanded its previous "interim" housing committee, and appointed the then Commissioner of Welfare and Housing and the Commissioner of Planning "as a Housing Advisory Committee to advise the Metropolitan Council and Ontario Housing Corporation on the overall metropolitan low-rent housing programme and on individual projects to be undertaken from time to time." The technically oriented apolitical Housing Advisory Committee met primarily at the request of OHC to consider builders' proposals submitted to OHC. Only those builders' proposals which OHC considered to have reasonable merit were brought before the committee, many submissions having previously been rejected by OHC as inconsistent with OHC requirements or objectives. As a result, it was rarely necessary for the

result, it becomes necessary for the Metropolitan Corporation to acquire sites and prepare development plans which the builder's proposal technique previously conveniently obviated. During the peak of the builder's proposal method of producing public housing, however, sites were relatively plentiful and the builders competed with each other to have their proposals accepted for public housing, thereby guaranteeing some restraint on price; but sites today are relatively scarce, land prices are increasing and with them a greater degree of indifference to the public housing market on the part of the builders. The Metropolitan Corporation's return to asking for prices on a municipal project will hopefully restore the competition.

committee to advise OHC to reject a proposal *in toto*; and it was usually sufficient to suggest on occasion that desirable modifications be made to certain characteristics of a project, such as its density, or to the timing of a project if the proposed construction period were earlier, for example, than school accommodation could be made available. Most often, the committee suggested that OHC defer approval of a project until certain relevant information concerning it or matters affecting it could be obtained and any problems revealed thereby resolved.

The Housing Advisory Committee did not "approve" builders' proposals in the usual sense but attempted to evaluate each proposal for OHC in terms of its neighbourhood environment and accessibility, its proximity to job opportunities and other community facilities and services, its consistency with metropolitan and local planning and zoning policies and the availability of both public and separate school accommodation. For the purposes of determining this last, representatives of the Metropolitan School Board and Metropolitan Separate School Board were added to the committee. The role of the committee, therefore, was purely advisory; and the final decision to accept or reject any proposal was made by OHC.

Not all projects which were considered by the committee to be "suitable" for public housing were necessarily accepted subsequently by OHC. Between January 1, 1968, and August 31, 1970, for example, OHC executed 20 contracts to provide for a total of 6,886 units. By comparison, in that same period, the committee considered about 75 projects proposing a total of more than 21,000 units of which less than 1,000 units were not considered "suitable" for public housing.

In the final analysis, the advice given by the committee to OHC was only one of many considerations taken into account by OHC in determining whether or not to accept a given builder's proposal. The price at which a project might be offered, its approval by CMHC for financing, OHC policies governing the type of housing sought and concentration of units in a given neighbourhood were all matters which influenced the OHC decision but were beyond the scope of the committee's involvement. While the committee performed a useful advisory function for OHC in making information available and was able also to advise the Metropolitan Council on the overall housing needs of Metropolitan Toronto, it was never considered as a decisive factor in the acceptance or rejection of any public housing project in Metropolitan Toronto.

The strength of the OHC/Housing Advisory Committee relationship lay primarily in the essentially apolitical procedure whereby public housing sites were chosen, in the anonymity of the sites selected by OHC for development and in the relatively large quantities of public family housing which OHC could produce in Metropolitan Toronto through the builder's proposal technique. Gradually, however, inherent weaknesses as described below were discovered in the procedure which led in 1971 to the reorganization of the Housing Advisory Committee. At that time, the Metropolitan Council appointed a number of elected councilmen to what had previously been a technical planning committee. This was an attempt to overcome some of the political problems created by the former procedure wherein it was considered that an imbalance in the municipal distribution of public family housing was being created. It appeared also that local municipal councils and boards of education were being

denied the prior knowledge of new public housing proposals they needed to prepare proper municipal programmes for the provision of the public works, services, facilities and amenities required to support public housing.

Weaknesses in the Public Housing Programmes

Despite the success with which OHC has been able to meet and in some years even exceed the public housing production targets requested by the Metropolitan Council and the scale of production which the Metropolitan Toronto Housing Company Limited has been willing and able to mount in the face of inequitable financing arrangements, four weaknesses in the institutional structure of these programmes suggest that they are moribund and may in time collapse if appropriate remedial action is not taken. The four areas of concern relate to

1. those provincial regulations or policies which prohibit OHC from providing public housing in any municipality which does not request it;
2. OHC's failure to impose a residency requirement on applications for public housing in Metropolitan Toronto;
3. inequities in the financing and operating loss-sharing arrangements adopted for the production of public housing for elderly persons by the Metropolitan Toronto Housing Company Limited;
4. the failure to perceive programmes for the provision of public housing as an integral part of the urban housing picture generally and as a component of a municipality's broader urban social development programme.

As a result of OHC failing to adopt programmes for the provision of public housing in municipalities which do not request it or of adopting limited or inadequate programmes in municipalities which request only token amounts of public housing without respect for need or demand and by virtue of their unwillingness to become involved in large scale social development programmes, the principal areas for new housing development in the Toronto urban region (which for the most part lie beyond Metropolitan Toronto's boundaries in Mississauga, Pickering, Chinguacousy and the southern part of the Regional Municipality of York) have been excluded as potential locations for the public family housing requested by Metropolitan Toronto. Even though the demand for such housing is an inherent and integral part of the total housing demand and supply picture (which is focussed on but not confined to Metropolitan Toronto), the actual satisfaction of the public housing component of the total housing demand must be accommodated entirely within Metropolitan Toronto. It is significant that those municipalities in the Toronto urban region whose urbanization contributes to the scale of the public family housing demand in the urban region, maintain development policies which are supported by the provincial government and which force the whole demand to be satisfied within Metropolitan Toronto. Very simply, these municipalities do not request OHC to provide public family housing in their particular municipalities; and OHC, therefore, does not.

The second major difficulty lies in the Ontario Housing Corporation policy which provides no residency requirement for public housing eligibility in Metropolitan Toronto. The February 1973 report of OHC admits in this respect that "of the 12,223 applicants on the list [for public family housing] there are more than 3,000 who are either newly arrived in

Canada or Ontario, who presently reside outside Metro or who have recently arrived in the municipality." OHC does not report how many such applicants have already been housed in the existing stock of public family housing. This policy does much to ensure that the burden of accommodating the public family housing demand (generated at least in part by other municipalities and by provincial government regional development policies) falls heavily on those municipalities like Metropolitan Toronto which are willing to accept public family housing. Provincial government policy also declines to recognize the Toronto urban region as an entity for municipal administrative purposes. It, therefore, continues to allow those municipalities in the urban region external to Metropolitan Toronto to decline to accept their proper share of the responsibilities (including public housing, so long as they continue to neglect requesting that it be provided) consequent upon their urbanization, while at the same time it permits such urbanization to take place and even provides many of the public works, services, facilities and amenities which make such urbanization possible.

The third major difficulty is the special case which has been made of Metropolitan Toronto in the financing of public housing. In all other municipalities of Ontario many of which (unlike Metropolitan Toronto) have housing authorities to manage the public housing provided by OHC, operating losses are shared according to a formula which in Metropolitan Toronto applies *only* to the public housing provided and managed by OHC, i.e.

Canada	50%
Ontario	42½%
Municipality	7½%

For the public housing for elderly persons provided and managed by the Metropolitan Toronto Housing Company Limited, on the other hand, two different and considerably less generous arrangements are followed:

1. In the case of seventeen projects (3,016 units) originally built under the limited dividend provisions of the National Housing Act, operating losses are not permitted. Rents (currently ranging from \$38 to \$58 per month) are *not* geared to income; and the cost of any improvements made for the benefit of the tenants must be borne by the tenants themselves. (It is understood that CMHC is prepared to examine proposals to relieve this untenable situation.)
2. In the case of all other elderly persons' public housing projects provided and managed by the Metropolitan Toronto Housing Company Limited (3,870 units), operating losses are shared equally and entirely by Canada and the Metropolitan Corporation. Rents are geared to income and are not affected by the cost of any improvements made for the benefit of the tenants.

Inequities for Metropolitan Toronto are reflected also in the formulae by which realty taxes are paid to the area municipalities in which elderly persons' public housing projects are located. Full taxes must be paid and are paid on the basis of the 50 - 42½ - 7½ formula in the case of units managed by OHC. In the case of units managed by the Metropolitan Toronto Housing Company Limited, on the other hand, Canada and Metropolitan Toronto share equally and entirely the realty taxes levied against rent geared to income units.

In limited dividend elderly persons' housing projects, however, tenants pay an imposed maximum of \$25 per year per unit and the Metropolitan Corporation pays the whole remainder which is estimated to average approximately \$200 per year per unit.

Although the stock of elderly persons' public housing managed by the Metropolitan Toronto Housing Company Limited represents less than 25% of the total stock of public housing in Metropolitan Toronto including that managed by OHC, almost 40% of the total realty taxes paid by the Metropolitan Corporation is attributable to those units. The following table gives a rough breakdown of realty taxes paid by the Metropolitan Corporation in 1972:

Units in Stock	Metro's Share in \$Millions			
	7½%	50%	Excess over \$25	Total
OHC (family) 21,696 (76%)		1.009		
Metro (elderly persons): 6,886 (24%)				
- rent geared to income			0.120	
- limited dividend				0.509
- elderly veterans				0.025
Total 28,582 (100%)	1.009 (61%)	0.120 (7%)	0.534 (32%)	1.663 (100%)

Under present organizational arrangements, where both the Ontario Government and Metropolitan Corporation are involved in providing public housing in Metropolitan Toronto and where there is a variety of ways in which the construction of public housing has been financed in the past, an anomaly has arisen wherein elderly persons of identical needs and means may find that they may pay any one of nineteen different rates, from \$38 and up, for the unit they occupy, depending on which government is landlord and which method of financing original construction was used. In these circumstances, it can and does occur that an individual is offered a unit which has become available at a rent calculated according to a pre-ordained formula which is not the most economical for that applicant in comparison with other units (unfortunately not available) the rents for which are calculated according to different prescribed formulae.

The Metropolitan Corporation is heavily involved in providing welfare assistance to large numbers of persons in public housing through family assistance and is fully aware, therefore, of the discontent which is engendered by public bodies who appear to assess higher rentals against welfare incomes than against earned incomes merely to satisfy the mysterious regulations which govern the calculation of required rentals. It is illogical and therefore unacceptable in the eyes of most recipients of public assistance that a monthly income of \$350 requires a welfare recipient to pay \$105 rent but a wage earner only \$87.50. Such apparent anomalies tend to weaken the relationship of the recipient of public assistance with the municipality from which he receives his benefit, as the daily newspapers frequently attest.

The existing financial arrangements for public housing as they pertain both to the Metropolitan Corporation and to individual tenants are clearly inequitable and reduce the acceptability of public housing programmes from the point of view of tenant and taxpayer alike. The Metropolitan Council has already pointed out the exigent need for Metropolitan Toronto to obtain the same access to federal and provincial funding of municipal public housing programmes as is enjoyed by other communities whose programmes are controlled directly by OHC. At the very least, it appears to be obvious that the Ontario government should be willing to share the operating losses of public housing programmes initiated by the Metropolitan Council on the same 50% - 42½% - 7½% basis by which it supports OHC programmes in Metropolitan Toronto (and elsewhere).

The present financing inequities which disfavour Metropolitan Toronto have led the Metropolitan Council from time to time to consider abandoning altogether its role in the provision of public housing for elderly persons and requesting the Ontario Housing Corporation to add this function to its present responsibility for providing public housing for families. The difficulties which the Metropolitan Corporation faces not only in these aspects of its own public housing programme but also in the loss of housing priority which its own citizens suffer from OHC's failure to impose residency requirements on the family housing it provides in Metropolitan Toronto on the one hand, and to require other municipalities in the Toronto urban region to accept the reasonable share of the public housing which their development policies warrant on the other, tend to support such a move.

Other important difficulties might also be cited as arguments in favour of the Metropolitan Corporation discontinuing its direct involvement in the provision of public housing, among them OHC's policy governing its housing registry.

Originally, the housing registry for Metropolitan Toronto, which is a list of applicants for public housing, was kept by the metropolitan housing authority, as such lists still are kept in other municipalities which unlike Metropolitan Toronto are permitted to have such authorities. On the inception of OHC when the metropolitan housing authority was dismissed, OHC established its own registry for family housing applicants while the Metropolitan Toronto Housing Company Limited maintained a list of elderly applicants.

When OHC began to accept applications from persons sixty years of age and older (whom it is now prepared to house *when suitable units are available*), duplications in the two lists occurred as elderly persons naturally applied to both agencies for housing. Some confusion therefore resulted as to how large the demand for elderly persons' public housing actually was; and, to overcome the problem of keeping accurate statistical records of housing demand as represented by the numbers of applicants on the lists, OHC initiated the policy of *requiring* elderly applicants for public housing to *choose* between the OHC list and the metropolitan list. Applications were no longer accepted by OHC from elderly persons who also applied to the Metropolitan Toronto Housing Company Limited.

The applicant, especially the one with no established residency in Metropolitan Toronto, is now faced with the dilemma of going on the metropolitan list knowing that he may have to wait up to two years* at least for housing while priority is given to applicants with established minimum residency, or going on the OHC list in the hope of a suitable unit quickly becoming available for him but knowing also that he may have to wait indefinitely for such a unit to become available. During this period, he may be able to establish residency; but, if still not accommodated by OHC at the end of that time, he can transfer to the metropolitan list only with reduced priority as a result of his brief wait on the metropolitan list. The elimination of the Metropolitan Toronto Housing Company Limited would, of course, also eliminate its registry and relieve elderly applicants of the necessity for understanding and following through the bureaucratic haze created by the OHC policy for the sake of better records.

The fourth difficulty mentioned on Page 11 above, however, suggests that the Metropolitan Corporation should strengthen rather than eliminate its direct role in the provision and management of public housing in Metropolitan Toronto and, in the course of doing so, perhaps reduce many of the aspects of the other problems inherent in current programmes and procedures as mentioned above.

The fourth weakness in past and current public housing programmes in Metropolitan Toronto has been the tendency to consider public housing as a thing in itself and the failure to identify it as an integral component of the Toronto urban region's total housing complex facing many of the same

* Now proposed to be reduced to one year.

problems and sharing the same relationships to other elements of the metropolitan urban structure. Public housing is, in fact, merely a social development programme which provides a means of helping certain households, who are normally prevented by the economics of the private housing industry from finding adequate housing, to obtain such housing. Many of the same households would live in Metropolitan Toronto even if public housing were not provided.

Regrettably, social development programmes involving public housing are still resented in some parts of the community which are unaware of the full implications of their rejection on the urban structure of Metropolitan Toronto as a whole. There are, for example, a few remaining vacant lands in Metropolitan Toronto which are reserved for new residential development and in which proposals for public family housing can be anticipated. These areas quite logically become the focus of the OHC public family housing programme; and, in view of the type and range of family-oriented community facilities which are normally provided in such areas and the numbers and range of job opportunities most frequently found in such areas, it seems entirely appropriate to undertake the largest part of the public family housing programme also in these and similar areas. The largest supply of serviced and vacant residential land available in Metropolitan Toronto is, however, located primarily in the Borough of Scarborough in which 25.6 units of public family housing per 1,000 population had been provided by OHC by the end of 1971, almost twice the ratio of any other municipality in Metropolitan Toronto, including the City of Toronto with its large central area concentrations of public housing in Regent Park, Alexandra Park and Don Mount Village, all created in conventional shared cost urban renewal programmes.

Even were it not so, and the Metropolitan Housing Advisory Committee as now constituted in its revised form should be successful in convincing OHC to distribute its housing projects more equally among the metropolitan municipalities, OHC would in such circumstances be constrained to depend to a very large extent on redevelopment, i.e. on the probable displacement of private households with the concomitant relocation problems (whether or not relocation is subsidized with public money) and on a greater degree of interference with the private housing market. There is, of course, no question that new public housing provided in the suburban boroughs also preempts sites which might otherwise be used for private housing and that to this extent any suburban public housing project will interfere with the market for private housing by reducing the number of available sites and presumably, therefore, make them and the cost of private housing more expensive. The displacement of private households through redevelopment, however, tends to compound the problem not only by reducing the existing stock of housing (whereas at least suburban public housing usually constitutes *additional stock*) but also by increasing the housing cost of the displaced household by forcing it to relocate in housing to which the inflated cost already attaches.

The Metropolitan Corporation expects in the next few decades to face mounting problems associated with the redevelopment which will be required to satisfy the provincial government's development concept and policy for the Toronto-centred region as well as the pressures built up through the ordinary dynamics of urban growth and change. It is important, therefore, to consider how these problems and pressures can be relieved even to a small degree through both institutional means and

physical and social development policies designed to influence and shape the major elements of the future urban structure of Metropolitan Toronto, i.e. the distribution of population, housing, employment and economic activities.

In some instances, the simple modification of existing policies might be effective. Of particular interest are those policies which exempt certain municipalities in the urban region from accepting a share of the public housing the demand for which they help to create and require other municipalities to accept the entire burden of satisfying the urban region's public housing demand and to endure the changes to the physical and social structure of the municipality which that necessitates.

The provision of public housing through institutions such as the Ontario Housing Corporation tends to reveal more and more opportunities for a municipality to become involved in the social and physical well-being of its less advantaged citizens; and they will quite properly attempt to respond to such problems adequately. The difficulty for the Metropolitan Council is that it has been made responsible for exploiting these opportunities to the advantage of the municipalities in the whole urban region, thereby relieving those municipalities of that responsibility, while at the same time its voice in determining the scale and nature of urbanization in those municipalities is being silenced.

It is, however, the institutions which may be created by and made responsible to the Metropolitan Council and the policies adopted by the council, and not those issuing from provincial institutions like OHC, which are most capable of integrating public housing into Metropolitan Toronto's total urban fabric and of organizing this and other social development programmes to serve most directly the identified needs and demands of the metropolitan population. The Metropolitan Corporation itself is best situated to find its own public housing sites (as OHC's February 1973 report makes abundantly clear) and distributing public housing, whether for families or the elderly, throughout Metropolitan Toronto in locations which best reflect the municipality's social development objectives and urban structure. Any metropolitan housing programme of which the construction of new housing forms a major part faces the problem of finding an adequate number of sites for development in locations where an appropriate range of community facilities, services and amenities is or is to be made available. The scale of the programme, and the need for carrying it out quickly to satisfy long waiting lists of applicants, sometimes lead to the selection of unsuitable sites which are difficult to integrate into the rest of the residential community. Project tenants tend to be somewhat segregated or "ghettoized" in the community; and many of the social development objectives of a public housing programme may accordingly be defeated. It requires the familiarity which the Metropolitan Corporation has of its own community and its dedication to the improvement of its physical and social urban structure to avoid such problems.

Establishment of a Metropolitan Housing Agency

Some of the weaknesses in existing public housing programmes would be greatly relieved by reorganizing the financial operations of the Metropolitan Toronto Housing Company Limited, including its limited dividend operations, to give it access to federal and provincial funding on the same 50% - 42½% - 7½% loss-sharing formula which OHC and other municipal housing authorities in Ontario presently enjoy. It would be similarly helpful if OHC were to review its policies governing the housing registry, residency qualifications and the distribution of required public housing units among all municipalities in the Toronto urban region.

It might also be desirable if OHC were to undertake its various housing production programmes more completely in the context of the provincial government's development concept for the Toronto-centred region so that these programmes could be used to stimulate large amounts of new urban growth in those parts of the region to which the government has decided such growth should be directed, thereby relieving some of the growth and redevelopment pressure on Metropolitan Toronto proper, the inevitability of whose continuing urban growth the provincial government concept hopes to disprove. (The establishment of the Ontario Housing Corporation under the Minister of Revenue rather than the Minister of Community and Social Services would appear to support the contention that this is a proper role for OHC to play.)

The development concept for the Toronto-centred region is itself, however, an argument which suggests that OHC should discontinue its public housing operations in Metropolitan

Toronto, so that it might concentrate its entire effort in the Toronto-centred region on the redistribution of housing in the region which that development concept prescribes. As an implementation tool of the Toronto-centred region concept, OHC regional operations would stand a better chance of success if indeed it abandoned its policy of providing no public housing except in municipalities which request it; but by the same token it would not be desirable, in a purely regional OHC operation, to impose a residency qualification on applications for public housing however beneficial such a qualification would be for Metropolitan Toronto. Such a qualification, if imposed throughout the region, would tend to deny the right of access of other Ontario residents to a provincial housing service in the region; and it is presumed that it is this right of access which accounts at least partly for the existence of the present policy, even though it is practised only with respect to Metropolitan Toronto and not to other municipalities in Ontario.

At the same time, the policy is inequitable for Metropolitan Toronto because it forces this municipality to accommodate households who would normally reside in municipalities external to Metropolitan Toronto, to subsidize their housing and to provide them with special services through its social development programmes while other municipalities in the region are excused from these obligations.

A possible arrangement exists, however, whereby the apparent metropolitan-regional conflict might be resolved.

As noted above, the Metropolitan Council has suggested the organization of a metropolitan housing agency responsible at least for providing all public housing in Metropolitan Toronto, but was forced to abandon further consideration of the suggestion when the OHC was created to perform a similar function. (The regulations under which OHC operates and

which have worked against the interests of Metropolitan Toronto were not, of course, known at the time.) The OHC began to function much as the municipal housing agency might inasmuch as it restrained its activities to Metropolitan Toronto and other municipalities which requested OHC to provide public housing; but as a provincial agency it could not - and cannot - properly impose a residency requirement which would be fair to Metropolitan Toronto but would tend to deny the right of access of other Ontario residents to a provincial housing service available in the metropolitan urban region. At the same time, it did not require all municipalities in the urban region to accept public housing to overcome the inequity to Metropolitan Toronto of having to bear the total public housing demand of the region swollen at least partly by the province's obligation to permit free movement to the region.

It seems appropriate, therefore, to reconsider the feasibility of establishing a municipal housing agency which would locate, build and manage all public housing in Metropolitan Toronto accepting applications only from those with residency qualifications to ensure a reasonable relationship between the demand and supply of public housing in Metropolitan Toronto. The Ontario Housing Corporation would, in these circumstances, continue to be responsible for public housing in all municipalities external to Metropolitan Toronto, would impose no residency requirement in order to safeguard individual right of access to a provincial service and would require or not require - as proper studies of housing demand and the provincial interest would determine - that any given external municipality be obligated to accept its share of public housing and the other direct and indirect responsibilities associated therewith.

Under this arrangement, OHC programmes would be confined to municipalities external to Metropolitan Toronto in order to avoid untenable competition between the activities of OHC and a metropolitan housing agency. Were OHC to continue its operations within Metropolitan Toronto, it would continue to attract non-residents, would still relieve the external municipalities of the responsibility for accepting the full range of housing required by their urban development policies, continue to thrust on Metropolitan Toronto the burden of social welfare and development programmes the need for which is as regional as it is local, perpetuate confusion among prospective applicants for subsidized housing as to whom an application should be made, and increase the competition for available sites, and therefore the pressure for redevelopment. With respect to this last difficulty, it may be observed that the February, 1973, OHC report itself repeatedly complains about the constraint on its public family housing programmes caused by "the lack of acceptable sites", "the growing scarcity of suitable sites in terms of zoning, location and price", "housing proposals...not proceeded with due to ratepayer opposition", etc.; and OHC has accordingly observed that "greater assistance in the provision of sites will be required from Metro and the boroughs", that "OHC requires full co-operation from Metropolitan Toronto and its member municipalities in terms of locating suitable land", "that Metro should assist in the location of [building sites for innovative housing] and become associated with applications to have them zoned for experimental housing", etc., notwithstanding the unrestrained powers of the provincial government for the acquisition of land and for the final determination of required zoning.

A metropolitan housing agency should be financed exactly as are the present operations of OHC, i.e. with 90% of the capital cost borne by CMHC mortgage loans and 10% by the provincial government, and with operating losses or subsidies shared 50% by the federal government, 42-1/2% by the provincial government and 7-1/2% by the Metropolitan Corporation.

The responsibilities of a metropolitan housing agency should include

- (a) determination of the scope and nature of the need and demand for housing subsidies for both family households and elderly persons (a responsibility already held by the Metropolitan Corporation and normally discharged by the Metropolitan Toronto Planning Board advising the Metropolitan Council);
- (b) determination of questions of programme including annual production targets, distribution, unit size and other project specifications, facilities, amenities, child care centres, geriatric clinics and special programmes for residents, residency and income requirements and other criteria for qualifying applicants, rent structures, etc.;
- (c) applications for federal and provincial assistance;
- (d) site selection;
- (e) project selection and construction;
- (f) tenant selection, including maintenance of a single housing registry of qualified applicants from Metropolitan Toronto;
- (g) project maintenance and management.

In making this recommendation, a recent study of "socially-assisted" housing in Ontario prepared for OHC by Peter Barnard Associates which also recommends establishment of metropolitan housing authorities has not been overlooked. While describing such authorities as "autonomous", Mr. Barnard nevertheless suggests that they be made subject to

- OHC financial management and audit;
- OHC policies and guidelines;
- OHC responsibility for budget approval;
- OHC nomination of housing manager candidates.

The report further suggests that

- housing managers be OHC employees seconded to the municipal authorities and rotated;
- municipal housing authority staff salary structure and fringe benefits be established by OHC and standardized throughout Ontario;
- municipal housing authorities be organized (as to types and number of staff and form of organization) within guidelines established by OHC.

In brief, Mr. Barnard's "autonomous" municipal authority appears in fact to be a provincial government agency operating according to provincial principles, policies and procedures with just sufficient local municipal input to relieve OHC of the necessity of finding sites to carry out a provincial housing programme. The degree of decentralization implicit

in Mr. Barnard's recommendations is negligible and seeks rather to find convenient municipal scapegoats for the programme failures which OHC's February 1973 report clearly anticipates.

Mr. Barnard's point of view was supported in some respects by the November 1972, report (Number 8) of the Committee on Government Productivity which also recommends decentralization of "the management of OHC rental units to increase local participation, to create local responsibility in tenant selection and relations, and to relieve OHC of the burden of direct management". It seems that the municipality is here being invited to participate in the weaknesses of OHC policy and operations and to share in the programme failures. There is, of course, no real municipal participation in or municipal responsibility for these programmes where there is no municipal responsibility for formulating policy and initiating programmes.

It would, in these circumstances, be preferable to maintain the existing OHC-Metropolitan Council relationships and division of public housing responsibilities, with substantial financial reorganization, than to attempt to give the Metropolitan Council a non-policy role merely serving OHC and other provincial programmes without particular reference to the Metropolitan Corporation's own objectives for the development of Metropolitan Toronto's physical and social urban structure and without contributing any meaningful influence on the formulation of working policy.

It is suggested that the operations of a metropolitan housing agency as described above should be under the direct and immediate control of the Metropolitan Council whose policies

the agency would implement and not be organized as a separate authority with a special purpose function. The preoccupation of separate authorities with special functions of their own to perform has in the past tended to diminish the ability of the Metropolitan Council to organize and integrate its several programmes for the achievement of common goals; and it is particularly desirable that the objectives of metropolitan public housing programmes be consistent with the Council's other physical and social development objectives.

Accordingly, the Metropolitan Council wishes to organize a metropolitan housing agency as an administrative department within the Metropolitan Corporation responsible and reporting to a housing committee of Council.

This agency could be assisted in its work by a number of new federal government programmes recently proposed as amendments to the National Housing Act (Bill C-133). The following new proposed programmes are of particular interest in this respect:

- (a) *The Land Assembly Programme* through which it is hoped to make housing financially accessible to a larger number of households than is presently the case by reducing the cost of land to be used for housing. If such a programme were to be successful, it might be anticipated that the demand for rent-subsidized housing could be materially reduced. Ottawa proposes to make 90% mortgage loans available for the public acquisition of such lands. If taken advantage of by the Metropolitan Council, this programme would complement any municipal programme to acquire sites for public housing. Suitable housing need studies should reveal what part of the housing market which might otherwise depend on rent subsidies could be served by this programme.

- (b) *The Assisted Home Ownership Programme* by which those low and moderate income family households who would otherwise depend on public rent subsidies could obtain forty-year mortgage loans to purchase housing. The amount and interest rate of the mortgage would be geared to family income; and, if necessary, grants would be made available to keep a family's monthly mortgage payments within tolerable limits.
- (c) *Cooperative Housing Assistance* is proposed to be made available to groups of lower income families who intend to establish either "building" co-operatives or "continuing" cooperatives. The benefits of this programme to such groups would be derived from longer amortization periods, lower interest rates and grant aid geared to income. If a "building" coop is established by a group intending to convert the building upon completion into a condominium, the individual households would at that time be financed by the Assisted Home Ownership Programme. If the group proposes to maintain a "continuing" coop after completion, it would be financed through...
- (d) *Non-Profit Housing Assistance* which would provide fifty-year loans up to 100% of the lending value of the project with low interest rates and 10% capital cost grants. Up to \$10,000 "start up" funds would be provided under this programme for planning and developing a project to the stage of the group's application for a loan.

These four programmes might be expected to reduce the demand of low and moderate income families for rent subsidies and permit a metropolitan housing agency to concentrate the

greater part of its energies and resources on providing public housing for those with the greatest need without the middle stratum of need being neglected. The households whose demonstrated need for assistance is marginal and particularly those who do not presently qualify for public housing but who are virtually precluded from acquiring private housing by the economics of the private housing industry, might be especially well-served by these programmes, particularly since the federal government appears to wish to make them independent of and complementary to any provincial housing assistance provided under such programmes as H.O.M.E.

A metropolitan housing agency could itself take advantage of the federal government's Non-Profit Housing Assistance programme which also proposes to make loans to municipalities who wish to undertake projects to house elderly persons, other special groups and low income people in general. The housing agency as a non-profit organization would obtain loans up to 95% of lending value and 10% capital cost grants independent of any additional provincial or municipal financial assistance; and \$10,000 "start up" funds would similarly be available to the agency.

Other federal government programmes proposed in Bill C-133 offer help to municipalities for planning, acquiring land, building community facilities and for other purposes which are intended to improve deteriorating and vulnerable communities. The proposed *Neighbourhood Improvement Programme* and *Residential Rehabilitation Programme*, which appear to be intended to replace the former urban renewal provisions of the National Housing Act and would be considerably more generous in order to be more effective in restoring and maintaining whole neighbourhoods of low and moderate income households, suggest ways in which the Metropolitan Council could directly or indirectly (through the constituent

municipal councils of the metropolitan federation) have an impact on the supply and distribution of housing and the provision of supporting works, services, facilities and amenities.

Metropolitan Housing Policy

It is becoming apparent that the conventional distinction between the housing and other needs of the community and the demand for subsidized rentals is being progressively blurred in the attitudes of both the Metropolitan Council and the Government of Canada. Gradually, public housing is being seen less as an end in itself and more as a function of overall urban structure and as part of a broader social development programme which should be designed to overcome weaknesses in that structure such as an unacceptable distortion in the population density pattern, poor relationships between places of residence and places of employment, increasing travel demand in corridors antagonistic to the community's long range planning goals, etc. Public housing, in other words, is or should be distinguishable from private housing only as a means of providing access to adequate housing for a growing number of economically disadvantaged households excluded from the ordinary housing market but cannot otherwise be separated from the problems facing the municipality with respect to the immediate and long range adequacies or deficiencies of the housing stock generally.

Nor can housing be divorced from other problems in planning the urban structure inasmuch as the numbers, types and distribution of housing units in a municipality have a direct bearing on the numbers, kinds and locations of job opportunities provided or to be provided and therefore on the degree of mobility it will require, the transportation facilities needed to achieve that mobility and the other

public works, services, facilities and amenities which must be provided to support any given distribution of housing and employment. If all of these matters are to be taken into account, if Metropolitan Toronto is properly perceived as a dynamic interacting urban system the balance of which is a true responsibility of the Metropolitan Council, it is obvious that the council must ultimately exercise some degree of effective influence over overall housing supply and distribution. It cannot be satisfied merely with direct control over the supply and distribution of public housing which is no more than a component of total housing need and is, in any event, primarily a social welfare or development programme designed essentially to make adequate housing available to a neglected segment of the overall housing market. It must also be able to influence the performance of the housing industry practising in Metropolitan Toronto not only to promote the production of housing units in current demand but also to anticipate emerging and future demands and to promote the municipality's long range housing distribution objectives in the context of the distribution of employment opportunities, transportation and other supporting urban systems.

At the present time, OHC activities are conducted solely within policy parameters designed by the provincial government to meet provincial objectives but without particular regard for the municipal objectives of the Metropolitan Council for its future urban structure other than the satisfaction of a specific identified social need. Similarly, the Ontario Treasurer and Minister of Economics and Intergovernmental Affairs and the Ontario Municipal Board exercise the ultimate influence or control over the private housing market by reserving to themselves final approval of subdivision plans, official development plans and implementing zoning bylaws. Where it exists, the policy governing their decisions is derived from or interpreted on the basis of provincial

objectives without much respect for specifically municipal policies aimed at improving urban structure through such means as the restraint of redevelopment, the conservation of existing housing or the achievement of municipal targets for the distribution, price and range of private housing.

It is usually claimed that the Minister and the OMB merely respond to local municipal proposals made through the conditions of approval which local municipal councils recommend that the Minister impose on a subdivision, through the local official plan amendments they propose to the Minister and through the zoning amending bylaws they submit to the OMB for approval. Similarly, metropolitan interests are presumed to be satisfied when the Metropolitan Council submits a five year capital expenditures programme to the OMB for approval or when it requests the OMB or some other branch or agency of the provincial government to accede to a metropolitan request for permission to execute a particular programme or project in the context of that capital budget.

The decisions taken by the provincial government or one of its departments or agencies on a local or metropolitan proposal, however, frequently tend to overlook the context of municipal goals and strategies in which the proposal has been made, and mostly reflect purely provincial government considerations. Without disputing the constitutional privilege which the Ontario government enjoys to act in this way, it might be observed that such typically centralist attitudes more often than not ignore the urban problems which underlie the municipalities' various proposals and undermine the effectiveness of any concerted municipal action to deal with urban problems by systematic means.

The powers of a municipality to prepare an official plan and submit it to the Minister for his approval as a means whereby a municipality may understand and deal with housing and other urban problems systematically and comprehensively are, as a result of the ultimate decision being reserved to institutions whose principal interests are not necessarily municipally oriented, more apparent than real, as is the effectiveness of an official plan itself. The official plans typically prepared by municipalities in Ontario are generally impractical or unpragmatic because they *must* appeal to centralist authority with centralist interests and because adequate tools to undertake their implementation are not available to the municipalities themselves.

The Metropolitan Council is itself at a greater disadvantage than are the councils of many other municipalities in Ontario, federated or not, especially in the field of public housing. It is, for example, at the present time prohibited from establishing a municipal housing authority except for the provision of elderly persons' public housing; and its ability to plan effectively and adopt programmes for the improvement of its urban structure has been fragmented not only within the Toronto urban region but within its own federation where no clear distinction was ever drawn by the province between local municipal and metropolitan planning responsibilities, even before the Ontario government inserted itself directly as a third level in the municipal planning process by adopting the development concepts and policies of a provincial plan for the Toronto-centred region.

To become effective in housing and other related urban problems in Metropolitan Toronto, it is suggested that the minister should delegate to the Metropolitan Council his own powers and those of the OMB to approve the official plans,

zoning bylaws and subdivisions proposed by a constituent municipality of the metropolitan federation (subject, of course, to a right of appeal against a decision of the Metropolitan Council). Moreover, the Metropolitan Council should be encouraged to develop and use the economic base management tools it will need to influence the private housing industry as well as to develop an effective public housing programme of its own.

The Ontario government should encourage and support the Metropolitan Council's access to and use of the tools available to implement systematically conceived objectives, such as the new programmes proposed under the National Housing Act if they are adopted.

The province should also underwrite a share of the cost of the periodic studies required to determine overall housing needs, to evaluate the performance of the private housing industry and to understand the immediate and long range effects and implications of the alternative ways of satisfying the total housing need.

By these various means, the Metropolitan Council may be put in a position to formulate and work towards the achievement of community planning goals, of which an integrated metropolitan public housing programme would form a significant part, and thereby improve not only the social conditions of Metropolitan Toronto but also actively contribute to the realization of the Ontario government's development concept for the whole Toronto-centred region.

Summary of Recommendations

1. The losses incurred in all public housing programmes of the Metropolitan Corporation should be assessed uniformly in the same proportions as the programme losses of the Ontario Housing Corporation, viz.

Canada	50%
Ontario	42½%
Metropolitan Toronto	7½%

2. The Ontario government should permit the Metropolitan Corporation to establish a municipal (Metropolitan Toronto) housing agency as part of the civic administration of the Metropolitan Corporation, responsible for the provision and management of all public housing in Metropolitan Toronto, whether for families or elderly persons, according to policies and programmes approved by the council and governing all aspects of public housing design, location, production, tenant selection, management and application to the governments of Canada and Ontario seeking their financial participation in the capital and operating costs of executing such programmes. Unless this agency does have full responsibility for all aspects of the housing programme, and unless Recommendation 1 is implemented, the Metropolitan Council does not favour a metropolitan agency as an alternative to the Ontario Housing Corporation.

3. The financial administration of public housing for elderly persons presently managed by the Metropolitan Toronto Housing Company Limited and originally financed under the limited dividend provisions of the National Housing Act should be re-examined; and the Central Mortgage and Housing Corporation should be requested to consider a proposal to refinance or otherwise reorganize the financial administration of such housing with a view to establishing tenant rent on a geared-to-income basis and to sharing operating losses according to the formula specified in (1) above.
4. Upon the establishment of such an agency, the entire public housing stock of the Metropolitan Toronto Housing Company Limited and of the Ontario Housing Corporation in Metropolitan Toronto should be transferred to the Metropolitan Corporation; and the public housing programmes of the Ontario Housing Corporation should be conducted thenceforth exclusively in municipalities external to Metropolitan Toronto in a manner consistent with the Ontario government's development concept for the Toronto-centred region.

5. If a Metropolitan Toronto agency is not established, then the Ontario Housing Corporation should adopt a minimum qualification for tenant applicants for all public housing in Metropolitan Toronto of at least one year's residency in Metropolitan Toronto; but no residency qualification should be imposed in other municipalities in the Toronto urban region which abut Metropolitan Toronto in order to preserve the right of access of all Ontario residents to a provincial government service available in the Toronto urban region.
6. The Ontario government and/or the Ontario Housing Corporation should abandon the present policies which require municipal councils in the Toronto urban region to *request* that the Ontario Housing Corporation provide public housing in such municipalities and permit such councils to specify the *maximum scale* of an OHC programme.
7. When suitable units are available, the Ontario Housing Corporation should accept applications from qualified elderly persons for public housing in Metropolitan Toronto regardless of any other application which a prospective tenant may have made to the Metropolitan Toronto Housing Company Limited for public housing.

